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RUEHME/AMEMBASSY MEXICO PRIORITY 1779
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C O N F I D E N T I A L SECTION 01 OF 03 OTTAWA 002233

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TAGS: PREL PGOV CA AF PK XB XL XM XK

SUBJECT: U.S.-CANADA POLICY PLANNING TALKS: AFGHANISTAN,
THE AMERICAS, ASIA, AND TRANSFORMATIONAL DIPLOMACY

Classified By: DCM Terry Breese, reasons 1.4 (b) (d)

- $\underline{\mbox{1}}\mbox{1}.$ (C) Summary: U.S. and Canadian Policy Planners met November 29-30 to discuss the broad strategic outlook over the next 25 years (with specific reference to the National Intelligence Council's 2020 and 2025 projects) and a range of international and regional issues that represent policy priorities for both countries and opportunities for closer collaboration. Both sides agreed on the importance of continued cooperation in Afghanistan, particularly with respect to the border, NATO burdensharing, and the work of the senior international coordinator. Regarding the Americas, the discussion focused on new openness to outside initiatives in Mexico, the continued fragility of the Caribbean, and the need to maintain focus on strengthening the democratic charter in the OAS. Canadian policy planners expressed a desire to continue to coordinate closely as events unfold in Cuba, even though our approaches there differ, and indicated that Canada would follow the U.S. lead on the issue of Asian architecture and North Korea. Canadian participants conveyed interest in comparing notes in greater detail with the U.S. and UK on the issues $\,$ surrounding transformational diplomacy, noting the sometimes varying approaches with which we face similar challenges. End Summary
- 12. (SBU) S/P Director Dr. David Gordon met November 29-30 in Montreal with Assistant Deputy Minister for Strategic Policy Drew Fagan in annual Policy Planning talks. Also in attendance on the U.S. side were S/P Deputy Director William McIlhenny, S/P Member (Asia) James Green, DCM Terry Breese, and Deputy Pol/C Keith Mines. Accompanying Fagan were Graham Shantz, Director General of the Policy Planning Bureau, Ron Garson, Director of Policy Planning, and Sarah Fountain Smith, Director of the U.S.-Canada Relations Bureau.

AFGHANISTAN -- BURDENSHARING, BORDER, AND INT. COORDINATOR

¶3. (C) Fagan provided an overview of Canada's fiscal, political, and strategic calculus in the Afghan mission. Canada has already spent over C\$3 billion in Afghanistan since 2002 and lost 74 lives, but in general the government feels positive about the progress there. He explained that the Afghan mission has changed the way Canadians see international engagement; the pride Canadians feel in the mission and the popularity of Chief of Staff General Hillier is something that Canada has not seen in decades.

Fagan said it will continue to be a difficult mission politically, however, and managing public support will be a constant challenge. Even among the 50% of the populace that supports the mission, there is the sense that Canada has simply done enough now and it is time to pass the mission off to another NATO ally. Shantz suggested that a key question for Canada goes beyond Afghanistan; policy makers are asking the question "what is NATO for if not this?" The strategic challenge as Canadians see it is that the NATO Afghan mission is a series of short-term commitments with extensive caveats, making long-term progress difficult to ensure. It will be devastating for NATO as an Oto ensure. It will be devastating for NATO as an organization if it cannot succeed there. Both sides agreed that in Afghanistan the whole is less than the sum of the parts.

 $\underline{\P}4$. (C) There was several areas where the two sides agreed there should be close collaboration on Afghanistan. First, is on the Afghan-Pakistan border, a special interest of Canada's because of its responsibility for Kandahar province. Canada has been active in developing new programs and infrastructure to help secure the border and is looking at new approaches to economic development there. Canada appreciates our help to date and seeks close collaboration on this key initiative. Second is shaping the mandate and getting the right person as Senior International Coordinator. Canada recently brought in Paddy Ashdown to discuss his experience in the Balkans and how the lessons learned there could be adapted to pulling together the various international players to increase synergy in Afghanistan. Canada could be a valuable ally on this issue. Third is in pushing for greater burden-sharing among NATO allies. Canada has the credibility among NATO middle powers of supporting

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the mission despite rising casualties and its voice in pushing for greater troop levels and fewer caveats could resonate.

THE HEMISPHERE -- SEEKING SYNERGY

- 15. (C) Fagan said the government's current foreign policy could be couched as the triple A's -- the Arctic, Afghanistan, and the Americas. He gave an overview of how the shift in attention to the Western Hemisphere is playing out, including new emphasis on free trade negotiations, increases in engagement with Latin American leaders, a new hemispheric security initiative, and shifts in foreign aid to the region. The increase in emphasis on Latin America, Fagan said, has been controversial domestically because it is seen as a zero sum game with Africa. But Fagan opined that this is largely an elite controversy and does not play out in public opinion.
- 16. (C) Fountain Smith commented on some areas where there may be room for further collaboration in the hemisphere. is Mexico, where Canada is working on small engagement projects to help improve governance. The willingness of Mexico to accept security help from the U.S. is a major shift that Canada has noted. There may be other areas for Canada to engage with Mexico in the future and, given the scale of our commitment, we should cooperate closely. Second is the Caribbean, which figured prominently in Prime Minister Harper's July trip. There are long-standing historical ties between Canada and the Caribbean, and Ottawa is trying to increase its engagement there. Shantz emphasized that many Caribbean countries are more fragile than they appear, and Fountain Smith noted the toxic mix of security deportees returning to the region after engaging in criminal activity in North American while the best and brightest are drawn off to the U.S. and Canada to live. Canada has a variety of aid, educational, and governance programs there, with a special emphasis on Haiti. Third are the areas where Canada is being drawn into trilateral engagement with countries such as

Brazil, Chile, and Uruguay, who want to partner on development and democratization projects in the region, especially in Haiti. There may be areas for close coordination with us on this. Fourth, the Canadian side agreed with our assessment that we need to try to keep the democratic charter energized at the OAS.

CUBA -- COORDINATING OUR DIVERGENCE

17. (C) Fagan briefly outlined Canada's Cuba policy, which is a two-tracked approach to engage with the government while also reaching out to students and dissidents. Canada is pleased with the level of talks we have had on Cuba and finds value in continuing to discuss and coordinate our divergent approaches. Fagan said Canada was pleased with the outcome of the OAS General Assembly, noting U.S. support for an opening on NGOs and Canada's efforts to bolster the role of civil society in support of the Democratic Charter. Fagan suggested that we continue to work together to find ways to operationalize and systematize engagement with civil society, and to continue to inject "high-level oxygen" into the mix that will put Qto inject "high-level oxygen" into the mix that will put pressure on the Cuban regime.

ASIA -- TAKING THE U.S. LEAD

¶8. (C) Fagan said there was concern in the Prime Minister's Office about the "profusion of architecture" in Asia, but DFAIT's message to the PM has been to use APEC as a one-stop shop — the opportunity to engage broadly in an efficient way. Canada considers U.S. engagement in APEC to be critical for North America, and our interlocutors warmly welcomed the U.S. commitment to APEC. Canada is looking, Fagan said, for free trade deals in Asia and is in the middle of negotiations with Singapore, South Korea, and Vietnam. On North Korea, Canada is watching closely to see how the situation unfolds, and will work in support of our efforts there.

TRANSFORMING DIPLOMACY

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- 19. (C) The two sides engaged in a discussion of how we are reorganizing our foreign assistance, diplomatic deployment, and inter-agency integration to manage the new global challenges. The Canadians were very interested in our explanation of recent changes in foreign assistance, which are driven by the same challenges they face, and our effort to reposition diplomats where they can do the most good. Canada, Fagan said, is engaged in a major redeployment exercise of its own to get more of its officers overseas, but to do so it has been involved in a significant effort to better explain its role to the Cabinet. He noted that Canada has also been comparing notes with the British on these issues, and suggested that it might be interesting to engage in trilateral discussions on lessons learned and new approaches to a more active foreign policy.
- 110. (U) At a luncheon November 30 hosted by former Canadian Ambassador to the U.S. Raymond Chretien, Dr. Gordon discussed the methodology and purpose of the National Intelligence Council's "Mapping the Global Future" project with an invited group of fifteen prominent Canadian academics. After reviewing U.S. perceptions of broad trends over the next several decades, he engaged in a lengthy Q and A session covering a wide range of foreign policy issues. Later, Gordon met with U.S. Consul General Mary Marshall and organizers of the annual "Conference de Montreal" economic forum to discuss their summer 2008 program and prospective U.S. participants.

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